

General Purchase Conditions (GPC)

Applicable to business transactions with entrepreneurs, legal entities under public law and special public-law funds.

1. General comments

- 1.1. Our General Purchase Conditions (hereinafter referred to as "GPC") shall apply exclusively. We shall not accept the general terms and conditions of the supplier (hereinafter referred to as "Supplier") that conflict with, are in addition to or deviate from our GPC unless we have expressly consented to their application in writing. Our GPC shall apply even if we, being aware that the Supplier's terms and conditions conflict with, are in addition to or deviate from our GPC, unconditionally accept or pay for the delivery of products and services by the Supplier (hereinafter referred to as "Subject Matter of the Contract").
- 1.2. Our GPC shall also apply to all future deliveries of goods and services by the Supplier until an updated version of our GPC replaces the current one.
- 1.3. Individual contractual additions to and deviations from these GPC shall only be effective with our express consent.
- 1.4. The terms "Buyer", "we", "us" and/or "our", etc. used in these GPC refer to PARAFLUID GmbH.
- 1.5. Within the scope of these GPC, working days shall be all calendar days from Monday to Friday with the exception of public holidays observed in the region where our offices are based.
- 1.6. In case that reference is made to text form under these GPC, text form shall have the meaning in accordance with section 126b of the German Code of Civil Law (*Bürgerliches Gesetzbuch* or *BGB*).

2. Contract conclusion, changes, documents

- 2.1. All arrangements (including any changes thereto and the termination thereof) made between us and the Supplier for the purpose of executing the contract, which refers to these GPC (hereinafter referred to as "Contract"), must be set out in text form in this Contract. This shall also apply to the cancellation of the text form requirement.
- 2.2. If the Supplier does not accept the order within two weeks of receipt, we are entitled to revoke the order. Delivery call-offs shall become binding unless the Supplier objects within five working days of receipt.
- 2.3. We retain title to and copyrights in images, drawings, calculations and other documents; they must not be made available to third parties without our express written consent and must exclusively be used for the production as set out in our order; after the order has been processed, they must automatically be returned without a special request made by us. They must be kept secret vis-à-vis third parties. In addition, the provisions set out in section 18. hereunder shall apply.

3. Prices, invoices, payment conditions

- 3.1. Unless otherwise agreed in text form, the price indicated in the order is deemed to be a fixed price and is FCA (INCOTERMS 2020) to the destination listed in the order. The return of the packaging requires a separate agreement. Cost estimates will only be reimbursed following special prior agreement in text form.
- 3.2. Prices exclude VAT. Invoices must list the VAT separately. If a VAT-exempt delivery or service comes into consideration, the supplier must provide the necessary evidence, insofar as the evidence is attributable to his area of responsibility. For deliveries within the European Union, the Supplier shall, without being requested to do so, notify us in text form of its VAT ID number, provide evidence of its entrepreneurial status and cooperate in providing proof of export in terms of accounting and supporting documents.
- 3.3. Invoices can only be processed if they, according to the specifications made in our orders or call-offs, contain the order number listed therein. One copy of the invoice including invoice number and other details facilitating allocation must be sent to the respective printed address; invoices must not be enclosed with the delivery. Consequences arising from non-compliance with these obligations are the responsibility of the Supplier unless it can be proven that such arose due to none of its faults.
- 3.4. Unless otherwise specifically agreed, invoices shall be payable either within 14 days and subject to a 2% discount for prompt payment or within 30 days without discount as of the payment due date and after both the invoice and the goods have been received or the services have been provided. Payment shall take place subject to invoice verification.
- 3.5. We are entitled to have offsetting and retention rights as provided by law.

4. Delivery/Performance

- 4.1. Any deviations from the Contract and/or orders are permitted only following our prior consent in text form.
- 4.2. Agreed times of performance (performance deadlines and performance periods) are binding. An agreed time of performance is only deemed to have been complied with if the Supplier has delivered the goods by the performance deadline or within the performance period pursuant to the respectively agreed INCOTERMs unless delivery complete with assembly/service has been agreed. In such a case, the time of the handover of the defect-free items following the appropriate execution of assembly/service shall be relevant to determine compliance with the agreed time of performance. In the case of work performed (*Werkleistungen*) and services rendered, a time of performance is deemed to have been complied with if the Supplier has performed the work or rendered the service by the performance deadline or within the performance period. In the case of work performed, this includes the establishment of acceptability.

General Purchase Conditions (GPC)

- 4.3. The Supplier shall make the goods available promptly taking into account the time required for loading and dispatching the goods to be agreed with the transport company.
- 4.4. The Supplier shall be obliged to notify us immediately in text form if circumstances arise or if it becomes aware of circumstances suggesting that the delivery time agreed cannot be complied with. The information does not release the Supplier from his duty to render the services in good time.
- 4.5. If agreed performance deadlines and/or performance periods are not complied with, we are entitled to the statutory rights. Hence, after the fruitless expiry of an appropriate period of grace (unless such a period is not required), we shall, in particular, have the right to demand damages and withdrawal instead of performance. If we claim damages, the Supplier has the right to prove that it was not responsible for the breach of obligations. We shall furthermore have the right, in the event of a delay of performance caused by the Supplier, to request the payment of a contractual penalty of 0.5 percent of the net value of the Contract for each week or part thereof but of no more than 5 percent of the net value of the Contract unless the delayed performance is not attributable to the Supplier. If we accept performance, we must reserve the contractual penalty at the latest until the date when final payment is made. Cases of Force Majeure shall be excluded. Any further rights of ours shall remain unaffected. Our right to performance shall not be excluded until the Supplier, at our request, has paid us damages in lieu of performance.
- 4.6. The acceptance without reservations of a belated delivery or performance does not constitute a waiver of our claims for damages or the contractual penalty that we are entitled to on account of the belated delivery or performance.
- 4.7. Partial deliveries and partial performances are generally unacceptable unless we have expressly consented to such deliveries in text form or can reasonably be expected to accept them.
- 4.8. Unless otherwise agreed in individual cases, each delivery shall be from one single batch.
- 4.9. As far as the number of items, weights and measurements are concerned, the values established by us upon goods arrival are relevant unless another type of verification has been agreed.

Title to the Subject Matter of the Contract shall, upon handover, pass on to us. Reservation of title and, in particular, extended or prolonged reservation of title shall be excluded.

5. Force majeure

- 5.1. In the event of circumstances which are beyond control, not connected with operations and which could not be averted even with extreme due diligence that is to be reasonably expected, such as, for example, a pandemic, natural phenomena, war, terror, sabotage, labor disputes, operational disruptions or production stoppages arising through no fault of our own, malfunctions due to cyberattacks, fire and explosion damage or governmental

decrees (hereinafter referred to as "Force Majeure"), the parties shall, for the duration of that event and as far as it affects them, be exempt from their duties of performance. The parties shall, as far as they can be expected to do so, be obliged to immediately inform each other in text form of the existence and duration of such an event as well as of the scope of performance limitation resulting thereof. If one Party is released from its duties of performance, it shall without undue delay return to the other Party any advance payments that may have been made or any services that have been rendered in advance. If the restriction caused by Force Majeure lasts longer than three months, both Parties shall have the right to withdraw fully or in part from the Contract. Any further claims of ours shall remain unaffected.

6. Transport, transfer of risk

- 6.1. In the case of deliveries, the Supplier shall bear the risk of accidental destruction and accidental deterioration of the goods until the goods are handed over to us or parties authorized by us. If the Supplier has the obligation to assemble the goods on our premises, the risk of accidental destruction and accidental deterioration of the goods shall pass to us upon completion of assembly. This shall also apply if we have assumed certain duties, e.g. if we have borne the costs of transport.
- 6.2. In the case of work performed (*Werkleistungen*) the risk of the accidental destruction and accidental deterioration of the work performed shall pass to us upon our acceptance of such work.
- 6.3. The goods must be packaged and secured for the duration of transport in such a manner that damage in transit is avoided.
- 6.4. The Supplier must, as part of its outgoing goods inspections, enclose an analysis certificate for each individual batch of the delivery.

7. Inspection to establish defects upon delivery; acceptance of work performed

- 7.1. Following deliveries, we shall notify the Supplier of any apparent (detected or detectable) defects as soon as the goods have been received, and hidden defects immediately after detection. Such notifications are deemed to have been made on time if they are received by the Supplier within a period of 10 working days from the day of receipt or, in the case of hidden defects, from the day of discovery. ; if, during the normal course of business, an inspection of the delivered goods cannot be performed within 10 working days after delivery, the period of timely notification shall be extended accordingly. In the case of deliveries that consist of a large amount of identical goods, we shall inspect an adequate quantity of the delivered goods to check for defects. If the goods, due to the inspection, were to become unsellable, the quantity to be inspected shall be reduced accordingly. If individual random samples of a delivery are defective, we may, at our discretion, request the removal of the defective items by the Supplier or, in accordance with the law, make

General Purchase Conditions (GPC)

claims for defects concerning the entire delivery. If, due to defects, an inspection beyond the extent customary for entry controls were to become necessary, the Supplier shall bear the costs of such inspection. If the notification were to arrive late or not at all, its timely dispatch shall suffice.

- 7.2. Upon completion, the work performed shall be accepted by us within an adequate period of time unless, due to the quality of the work performed, acceptance is excluded. In such a case, either party shall have the right to request a formal acceptance (*förmliche Abnahme*). Formal acceptance shall, unless otherwise agreed, take place in the presence of both Parties. Acceptance shall be documented in a certificate of acceptance. This also applies to unsuccessful attempts at achieving acceptance. We shall be reimbursed by the Supplier for any costs arising from unsuccessful attempts at achieving acceptance unless the unsuccessful attempt at achieving acceptance is not attributable to the Supplier. Any further claims of ours shall be unaffected. Acceptance may also be refused if several immaterial defects are detected that, when added together, turn out to be material. Acceptance of partial deliveries shall be excluded unless we have, in advance, agreed thereto in writing.

8. Liability for defects involving deliveries and work performed

- 8.1. If the goods delivered or the work performed were to be defective, we shall, irrespective of our statutory claims, have the right to request that the Supplier, at our discretion and by way of subsequent performance, either remedy the defects (concerning delivery and work performed) or deliver defect-free goods (concerning deliveries) or engage in the performance of new work (concerning work performed). In the event of subsequent performance, the Supplier undertakes to bear all expenditure including, in particular, transport, travel, labor and material costs. This shall also apply if, in the case of deliveries, the goods have been taken to a location other than that indicated by us as the delivery address.
- 8.2. If the Supplier fails to comply with his obligation of subsequent performance within an appropriate time frame set by us, we may ourselves undertake the necessary measures at the expense and risk of the Supplier or ask a third party to do so. This does not apply to deliveries if the Supplier is not responsible for the owed performance not taking place upon expiry of the period of grace. As far as deliveries and work performed are concerned, setting a deadline can be dispensed with if the Supplier rejects both types of subsequent performance or if subsequent performance has failed or if we cannot be reasonably expected to accept such performance. Furthermore, the setting of a deadline may be dispensed with if special circumstances arise that, upon consideration of the interests of both Parties, justify the immediate assertion of claims for defects. Special circumstances arise in particular in urgent cases where subsequent performance by the Supplier is unlikely to compensate us for the

imminent disadvantage suffered by us. If the setting of a deadline can be dispensed with, we shall have the right to undertake the necessary measures at the expense and risk of the Supplier even without unsuccessful expiry of an appropriate period of grace as long as we inform the Supplier thereof. Any further claims of ours shall remain unaffected.

- 8.3. The receipt of the goods and the processing of goods that have not yet been established as defective and criticized as well as the payment, the subsequent placement of orders and the commissioning of further work to be performed do not mean that we approve of the delivery or work performed or waive any claims for defects.
- 8.4. Our claims for defects are subject to a limitation period of 36 months. In the case of deliveries, the period commences upon receipt of the goods, and in the case of work performed, it commences upon its acceptance. This period of limitations does not apply if the Supplier has deceitfully concealed the defect or if the subsequent sentence suggests otherwise. Notwithstanding sentence one, the period of limitations shall be five years if,
- a) in the case of deliveries, defective goods have been used in the customary way for a structure and caused its defectiveness or if
 - b) in the case of deliveries or work performed, there has been a defect of the structure or if,
 - c) in the case of work performed, its success consists in the production, maintenance or change of one item or in the rendering of planning or monitoring services for such item.
- 8.5. As to any defects criticized or otherwise indicated by us within the period of limitations, the claims for defects become time-barred at the earliest six months after the complaint has been made.
- 8.6. In the case of deliveries made to us by the Supplier, we have, apart from being entitled to making claims for defects, unrestricted statutory rights of recourse within a supply chain, provided that our claims for defects do not require the setting of an otherwise necessary deadline if we are obliged to take back goods that we sold on or if the purchase price paid to us has been reduced or if we are otherwise held liable for the defectiveness.
- 8.7. Further warranties of the Supplier shall remain unaffected.

9. Product liability, release, liability insurance

- 9.1. The Supplier shall be obliged to indemnify us from claims made by third parties and release us from any product liability in Germany or abroad unless, based on the principles of product liability law, he is not responsible for the defect of the product. Any further claims of ours shall remain unaffected.
- 9.2. The Supplier shall, as part of his indemnification obligation, bear all costs arising from potential legal proceedings and all expenses resulting from or in connection with any warning, exchange or recall measures carried out by us. We shall – as far as possible and as far as we can be reasonably expected to do so – notify the Supplier of the content and extent of any measures to be carried out and we shall give him an opportunity to state his case. The Supplier shall assist us

General Purchase Conditions (GPC)

with the measures to be carried out to the best of his knowledge and undertake all measures requested by us that he can be reasonably expected to perform.

- 9.3. If the Supplier, due to public-law regulations, is obliged to notify the competent authorities of circumstances affecting the marketability of the Subject Matter of the Contract, the Supplier must immediately inform us thereof in text form.
- 9.4. In the event of regulatory measures that lead to a reduced marketability of the Subject Matter of Contract, we shall have the right to either fully or partially withdraw from the Contract. In such a case, the Supplier shall be obliged to indemnify us for all the resulting damage unless it is not responsible for the underlying cause. Other claims and rights shall be unaffected thereby.
- 9.5. The Supplier undertakes to take out and maintain an extended product liability and recall insurance policy offering worldwide coverage and a level of cover appropriate for the goods and work performed, which amounts to at least 3 million euros for personal injury for each individual person, a minimum of 5 million euros per property damage and a minimum of 5 million euros for pecuniary loss. The Supplier shall, at our request, prove to us the taking out and existence of such an extended product liability and recall insurance policy. The Supplier refrains from engaging in any act and any omission that could put at risk the insurance cover. Any further claims of ours shall remain unaffected.
- 9.6. If the Supplier fails to duly meet his obligation as set forth in the preceding paragraph 3, we shall have the right but are not obliged to take out an extended product liability and recall insurance policy at the Supplier's cost.

10. Intellectual Property rights

- 10.1. We reserve all ownership rights, copyrights and other property rights to images, drawings, computations and other documents that we make available to the Supplier. They must not be made available to third parties without our explicit written consent and must only be used for the production of the goods and/or the rendering of the services based on our order. After completion of the order, they must be returned to us without request and without undue delay.
- 10.2. The Supplier warrants that the delivery and use of the goods and/or services does not breach any German or foreign patents, German utility models, licenses or other property and copyrights of third parties. This does not apply if the goods have been developed by us.
- 10.3. If we are held liable by a third party, the Supplier shall be obliged to indemnify us from such claims.
- 10.4. The indemnification obligation of the Supplier refers to all costs that arise from or in connection with claims made by a third party. We shall in particular have the right to obtain permission to use the goods from the third party at the cost of the supplier. The indemnification obligation does not apply if the Supplier is not responsible for the breach of the property rights of third parties.

11. Compliance with statutory provision regarding chemicals

- 11.1. The Supplier shall comply with the ruling statutory provisions regarding chemicals. This shall include in particular compliance with the statutory provisions (in their respective ruling versions) regarding the following:
- a) Registration and licencing of chemicals as well as information obligations, in particular pursuant to REACH Registration (Registration (EC) No. 1907/2006);
 - b) Restrictions and prohibitions regarding the marketing of substances;
 - c) Import and export of chemicals;
 - d) Classification, identification and packaging of chemicals, in particular pursuant to CLP Regulation (Regulation (EU) No. 1272/2008);
 - e) Merchantability and identification of biocide products and goods treated with biocides; as well as
 - f) Transportation of hazardous goods
- 11.2. In case that we are obliged to register the Subject Matter of Contract in accordance with the statutory provisions, (including but not limited to the REACH Regulation (EC) No. 1907/2006), the Supplier shall provide us free of charge with all available information necessary therefor and inform us of any appointment of the sole representative without undue delay.

12. Export control legislation

- 12.1. For any Subject Matter of the Contract, the Supplier shall comply with the applicable national and international export control, customs and foreign trade regulations and shall obtain any necessary export licences for the Subject Matter of Contract unless the applicable foreign trade legislation requires that, instead of the Supplier, we or any third party are obliged to apply for such licences.
- 12.2. The Supplier shall advise us in text form as early as possible of any information and data which we need to comply with the applicable foreign trade legislation with respect to export, transfer and import as well as, in case of reselling, with respect to re-export of the Subject Matter of Contract or of any goods and services based on the Subject Matter of the Contract. In any case the Supplier shall provide us for each Subject Matter of Contract with the following information:
- a) all applicable export list numbers of the national or European Foreign Trade regulation (if the Subject Matter of the Contract is subject to any export list item);
 - b) the Export Classification Number (ECCN) according to the U.S. Commerce Control List (CCL) if the product is subject to the U.S. Export Administration Regulations;
 - c) the mineral oil content if the product contains any mineral oil;
 - d) the customs tariffs number or statistical commodity code according to the current classification of goods for the foreign trade statistics and the HS (Harmonized System) Coding; as well as
 - e) the country of origin (under commercial law).

General Purchase Conditions (GPC)

- 12.3. In addition, the Supplier shall, upon our request, make available long-term supplier declarations concerning preferential origin in the case of European suppliers or certificates concerning preferences in the case of non-European countries.
- 12.4. In the event of changes of origin, product features or services or of the applicable foreign trade law, the Supplier shall, unsolicited, update the export control and foreign trade data and notify us in text form without undue delay following the change of origin, product features or applicable foreign trade law.
- 12.5. The Supplier shall bear all costs and losses/damage suffered by us due to the absence or the faultiness of export control and foreign trade data unless the Supplier is not responsible for the breach of duty. Any further claims of ours shall remain unaffected.

13. Quality management

- 13.1. The Supplier must introduce a quality management system, e.g. according to DIN ISO 9001 and/or DIN ISO 14001 and maintain it for the entire duration of the contractual relationship and furnish proof thereof upon request. We shall, following consultation, have the right to inspect the system used by the Supplier by way of an audit.
- 13.2. The Supplier must inform us in text form without undue delay, but at least 6 months prior to changing the production processes, the production site and/or the ingredients used. The Supplier shall provide us with all the information that we require.

14. Sub-contractors

The use of third parties for contractual performance (in particular sub-contractors of whatever rank) and/or their exchange requires our prior written consent. If the Supplier intends from the outset to use third parties to ensure contractual performance, the Supplier must notify us thereof upon submission of his bid.

15. Statutory minimum wage, posting of workers, ban of illegal employment

- 15.1. The Supplier shall ensure that the sub-contractors and personnel agencies used by him to execute contracts for us, pay their staff the statutory minimum wage in accordance with the German Minimum Wage Act (*Mindeslohngesetz/MiLoG*) and/or at least the minimum hourly rates on the basis of the statutory provisions pursuant to section 3a of the German Act on the Provision of Temporary Employees (*Arbeitnehmerüberlassungsgesetz/AÜG*) or, if the services to be rendered are subject to the area of application covered by the German Posted Workers Act (*Arbeitnehmerentsendegesetz/AEntG*), the minimum wage stipulated for the relevant industry. He must also ensure that the mandatory statutory obligations concerning the payment of contributions to the Germany social security system, the employers' liability insurance associations and other

institutions such as the joint institutions of the contractual partners engaged in collective agreements set out in section 8 of the German Posted Workers Act (*Arbeitnehmerentsendegesetz/AEntG*) are complied with.

- 15.2. The Supplier shall, when choosing subcontractors and personnel agencies, ascertain whether the requirements set out under paragraph 10.1 are met and obligate them in writing to comply with the requirements. In addition, he shall ask them to provide a written confirmation that they in turn request compliance with the same requirements from the subcontractors and personnel agencies commissioned by them.
- 15.3. In the event that we are justifiably held liable by an employee of the Supplier or by an employee of a subcontractor (irrespective of the subcontractor's rank), or by an employee of a personnel agency considering us to be a guarantor, for the payment of the statutory minimum wage or the minimum wage paid in the industry or if we are held liable for the payment of contributions by one of the institutions of the contractual parties engaged in collective agreements set out in section 8 of the German Posted Workers Act (*Arbeitnehmerentsendegesetz/AEntG*), the Supplier shall indemnify us against such claims. This does not apply if he is not responsible for the breach of obligation. Any further claims of ours shall remain unaffected.
- 15.4. We shall have the right to terminate the Contract with the Supplier without notice if we are justifiably held liable under the provisions concerning the guarantor's liability pursuant to the German Minimum Wage Act (*Mindeslohngesetz/MiLoG*) or Posted Workers Act (*Arbeitnehmerentsendegesetz/AEntG*). Any further claims of ours shall remain unaffected.

16. Compliance and social standards

- 16.1. The Supplier warrants, that
- (i) he has not violated and will not violate any national or international laws against bribery, corruption and restrictions of competition when concluding and executing this Contract and that neither the Supplier nor, to the knowledge of the Supplier, his employees or persons acting on behalf of the Supplier have offered or will offer any direct or indirect payment in cash or in-kind or other advantages for the benefit of a public official or any other person, including our company organs or employees, in order to obtain an unlawful or improper advantage or contract; and
 - (ii) in connection with the provision of the services or any of them, the Supplier will duly observe at all times throughout the period of this Contract all applicable laws and regulations.
- 16.2. The Supplier warrants to comply with the 10 principles of the UN Global Compact and the 4 basic principles of the International Labor Organization (ILO).

General Purchase Conditions (GPC)

16.3. The Supplier shall demand the obligations set out under this paragraph 16 equally from its business partners.

17. Assignment

Rights and claims outside the scope of application set out in section 354a of the German Code of Commercial Law (*Handelsgesetzbuch* or *HGB*) may only be assigned by the Supplier with our prior written consent.

18. Confidentiality and privacy

- 18.1. All business or technical information made available by us must be kept secret vis-à-vis third parties as long and as far as it is not verifiably already in the public domain and must only be made available to such persons employed by the Supplier who, of necessity, must be informed thereof to ensure the fulfilment of contractual obligations. Without our prior express consent in text form, such information must not be copied or put to commercial use except for the purpose of deliveries to us. Upon our request, all information provided by us (which may include copies or records) and any items loaned to the Supplier must immediately and in their entirety, be returned to us or destroyed. This does not apply to automatically generated backup files and as far as the Supplier, based on statutory or regulatory obligations, is obliged to store such files on the proviso that the Supplier, based on the aforementioned rules and regulations, treats such information confidentially for an unlimited period of time and refrains from using it.
- 18.2. The information referred to in section 18.1 above remains our property. We reserve all rights therein (including copyrights and the right to register industrial property rights such as patents, utility models, etc.).
- 18.3. The Supplier is obliged to comply with the applicable rules and regulations concerning data protection in their respective valid version and shall observe them.

19. Jurisdiction, place of performance

- 19.1. The sole venue for all disputes arising from or in connection with the GPC and any Contract as well as regarding their validity shall be Hamburg, Germany; we shall, however, also have the right to sue the Supplier at its local place of jurisdiction.
- 19.2. The place of performance for deliveries is the place where, according to the order, the goods must be delivered to. The place of performance for payment is our registered seat.

20. General provisions

- 20.1. Should any individual provision of these GPC and/or of any further arrangements made be or become invalid, the validity of the remaining provisions shall not be affected thereby. The parties shall replace the invalid provision by

another clause that comes as close as possible to the economic purposes of the invalid clause. The same shall apply, mutatis mutandis, to omissions.

- 20.2. These GPC are available in German and in English. In the event of any discrepancies, the German version of these GPC shall prevail.
- 20.3. The contractual relationship shall exclusively be governed by the laws of the Federal Republic of Germany to the exclusion of the regulations concerning the conflict of laws and the United Nations Convention on Contracts for the International Sale of Goods (CISG). In addition, the INCOTERMS in their last valid version shall apply as far as they do not conflict with these GPC and any special arrangements that may have been made.